

PSC NO: 1 GAS LEAF: 159.3
COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 3
INITIAL EFFECTIVE DATE: 11/01/14 SUPERSEDING REVISION: 2
STAMPS:

SERVICE CLASSIFICATION NO. 8
Seller Service (continued)

J. Mandatory Capacity Program (Continued)

2. Tier 2 - Retail Access Storage

a) Quantity

The Company will provide Sellers Tier 2 Retail Access Storage from November 1st through April 30th. Prior to the start of each month, the Company will determine the quantity of Tier 2 Retail Access Storage to be provided each Seller by multiplying: 1) the capacity of the Company's storage contracts specified in the GTOP Manual by; 2) the ratio of the Seller's Slope Component to the Company's Slope Component.

b) Monthly Charges

Tier 2 Demand Price

The Tier 2 Demand Price stated in dollars per dekatherm is a capacity price determined by adding: 1) the annual fixed costs of the Company's storage contracts in (a) above plus; 2) the fixed costs of the Company's pipeline transportation contracts required to refill storage for the period May through October plus; 3) the annual fixed costs of the Company's peaking service contracts used to provide Tier 3 Peaking Service and then dividing by; 4) the Company's total storage quantity.

Seller will pay each month from November 1st to April 30th a Tier 2 Demand Charge computed by multiplying: 1) the Tier 2 Demand Price by; 2) the Seller's Tier 2 storage capacity and then dividing by; 3) six.

Tier 2 Commodity Price

The Tier 2 Commodity Price stated in dollars per dekatherm is determined by adding: 1) the Company's weighted average storage inventory price plus 2) the variable unitized costs to withdraw and deliver storage inventory to the city gate.

Seller will pay on each month a Tier 2 Commodity Charge computed by multiplying 1) the Tier 2 Commodity Price per dekatherm price by 2) the Tier 2 volumes the Seller delivers to the Company's city gate.

c) Operations

In accordance with the GTOP Manual.

Issued by: David B. Doxsee, Vice President, Hicksville, NY